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October 6, 2005

VIA EMAIL & HAND DELIVERY

Edward M. McNally, Esquire Liza H. Sherman, Esquire Morris, James, Hitchens & Williams LLP 222 Delaware Avenue, 10th Floor Wilmington, DE 19801

RE: Elsmere Park Club, L.P. v. Town of Elsmere, et al.

C. A. No. 04-cv-01321-SLR (District Court Case)

Dear Counsel:

Enclosed please find a supplemental report from Larry Johnson at Sovereign Environmental Group concerning remediation work to address the conditions at the Elsmere Park Apartments in October 2002. Together with David Wilk's report, this supplemental report establishes the fair market value of the property at the beginning of October 2002.

Truly yours,

Patrick A. Costello

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PAC:sma Enclosure

cc: Doug F. Schleicher, Esq.